



1981 CORN ENTERPRISE SUMMARY

by

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August, 1982

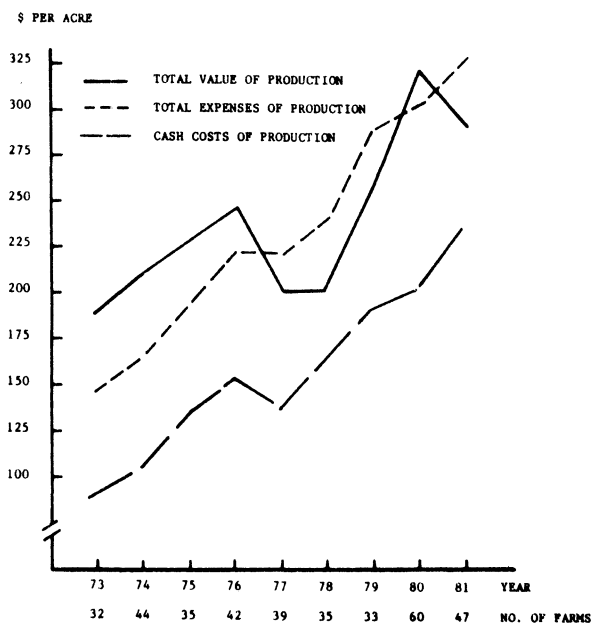
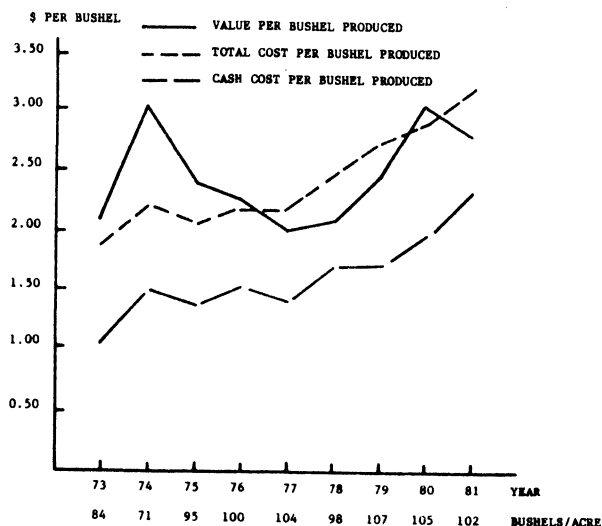
This report summarizes corn enterprise records from Ohio farmers. Farmers sent their records into The Ohio State University for analysis where, after being judged complete and accurate, they were included in this report. A more complete analysis of Ohio Corn Enterprises is given in 1981 Farm Business Analysis Report, General Crop Summary (Extension No. 356, ESO 907).

Figure 1 portrays the value and costs of per acre corn production for nine years. The figures given are averages for the enterprises summarized in the given year. To calculate the value of production, the number of bushels produced is multiplied by the price that each farmer averaged when marketing his crop. Cash costs are expenses that went into the production of the crop and roughly equate variable costs. Cash costs plus depreciation, unpaid labor, and a charge for equity equals total costs.

Per bushel costs and values are given in Figure 2. This graph shows the trend of per bushel costs and prices.

Figures 1 and 2 give average costs and returns for a nine year period of time. Table 1 gives detailed production information for 1981. Enterprises summarized were broken into three categories (upper 50%, average, and lower 50%) by ranking the records according to per hour returns of unpaid labor and management. For comparison, 1980 and 1979 averages are also given.

The upper 50% of corn producers were more profitable than the lower 50% farmers because they 1) had \$42 less total costs per acre, 2) had \$129 less investment per acre, and 3) received 16¢ more per bushel of corn produced. In order to be more profitable, farmers must examine these areas and determine the best strategy when producing corn.

FIGURE 1 -- INCOME AND EXPENSES OF PER ACRE
CORN PRODUCTION, OHIO, F.B.A., 1973-81FIGURE 2 -- VALUE AND EXPENSES OF PER
BUSHEL CORN PRODUCTION, OHIO, F.B.A., 1973-81

1981 OHIO FARM BUSINESS ANALYSIS REPORT
CORN ENTERPRISE

		1981		1980	1979
	UPPER 50% PER ACRE	AVERAGE PER ACRE	LOWER 50% PER ACRE	AVERAGE PER ACRE	AVERAGE PER ACRE
TOTAL VALUE OF PRODUCTION	\$ 293.82	285.63	278.26	320.72	258.58
CASH EXPENSES					
HIRED LABOR	\$ 9.64	8.84	8.89	4.34	1.78
FARM SUPPLIES	\$ 28.75	28.22	19.75	13.81	13.31
MACHINE REPAIRS	\$ 13.61	14.54	15.46	10.92	14.53
BUILD, FENCE, ETC.	\$.72	1.25	1.77	1.47	2.26
FUEL, OIL & GREASE	\$ 18.67	15.99	13.44	15.28	13.04
UTILITIES (FARM SHARE)	\$ 1.62	2.18	2.56	1.47	1.14
DRYING AND STORAGE	\$ 7.93	9.62	11.27	6.94	8.71
MISC. EXPENSE	\$ 1.85	1.72	2.39	1.63	2.15
SEEDS AND PLANTS	\$ 17.29	17.23	17.21	14.65	14.69
FERTILIZER AND LIME	\$ 63.77	71.52	79.87	69.15	62.85
MACHINE HIRED TRUCKING	\$ 4.36	6.72	9.88	5.92	3.84
AUTO EXPENSE (FARM SHARE)	\$ 1.39	1.25	1.11	1.81	1.85
INTEREST ON NOTES	\$ 35.84	34.52	34.87	38.72	24.68
TAXES (FARM SHARE)	\$ 3.34	3.25	3.18	3.64	4.83
RENT	\$ 18.88	24.87	38.73	23.99	12.64
INSURANCE (FARM SHARE)	\$ 3.28	3.28	3.37	3.23	3.26
TOTAL CASH EXPENSES	\$ 221.18	236.96	257.55	287.37	183.88
NON-CASH EXPENSES					
TOTAL DEPRECIATION	\$ 35.85	34.25	33.54	38.15	26.59
UNPAID OPR. AND FAM. LABOR	\$ 21.99	21.24	21.14	23.98	38.55
INTEREST NOT CHARGED	\$ 25.62	31.99	38.17	38.64	43.38
TOTAL NON-CASH EXPENSES	\$ 82.65	87.48	92.85	92.69	108.52
TOTAL EXPENSES OF PRODUCTION	\$ 303.83	324.4	345.40	380.06	284.40
MANAGEMENT INCOME AND PROFIT	\$ -18.81	-38.81	-67.14	28.66	-25.84
VALUE OF PRODUCTION - CASH COSTS	\$ 72.64	48.67	25.71	113.35	74.78
UNPAID LABOR AND MANAGEMENT INCOME					
TOTAL PER ACRE	\$ 11.98	-17.57	-46.88	44.56	4.71
PER HOUR	\$ 2.56	-4.13	-11.76	6.78	.63
GENERAL INFORMATION					
NUMBER OF ACRES	NO. 137	143	149	134	88
VALUE PER BUSHEL PRODUCED	\$ 2.87	2.79	2.71	3.84	2.41
TOTAL COST PER BUSHEL PRODUCED	\$ 2.97	3.17	3.36	2.84	2.65
CASH COST PER BUSHEL PRODUCED	\$ 2.16	2.31	2.46	1.97	1.71
PER ACRE INFORMATION					
BUSHELs PRODUCED	BU. 182.37	182.37	182.68	185.58	187.38
PRODUCTIVE MAN WORK UNITS	NO. .74	.64	.54	.66	.88
VALUE OF LABOR USED	\$ 31.63	38.88	29.23	28.25	32.25
TOTAL INVESTMENT	\$ 673.91	738.99	882.72	778.66	987.31
RETURN ON INVESTMENT	\$ 58.64	27.78	5.18	98.82	42.22
PERCENT RETURN ON INVESTMENT	% 7.5	3.7	8.6	11.7	4.7
TURNOVER	\$/ \$.436	.387	.347	.416	.285
NO OF FARMS	NO. 24	47	23	68	33